SUSQUEHANNA
RADIO CORP.
A subsidiary of Susquehanna Pfaltzgraff Co.

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January 21, 2000

Magalie Roman Sales
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: MM Docket No. 99-325

Enclosed please find an original and four copies of the comments of Susquehanna Radio Corp. regarding MM Docket No. 99-325 "Digital Audio Broadcasting Systems And Their Impact On The Terrestrial Radio Broadcast Service",

Sincerely,

Charles T. Morgan
Senior Vice President

enclosures

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Digital Audio Broadcasting Systems And Their Impact On The Terrestrial Radio Broadcast Service	)	MM Docket No.99-325

TO: The Commission

COMMENTS OF SUSQUEHANNA RADIO CORP.

These comments are filed in response to the Notice of Proposed Rule Making in the matter of "Digital Audio Broadcasting Systems and their impact on the Terrestrial Radio Broadcast Service" adopted November 1, 1999.

Susquehanna Radio Corp. is a privately held company that has served the public as a radio broadcast licensee for close to 60 years. Susquehanna owns and operates 8 AM and 17 FM stations. Susquehanna has been a strong proponent of the In-Band/On-Channel (IBOC) concept since the idea was first conceived many years ago. It is Susquehanna's firm belief that IBOC and only IBOC can move radio broadcasting into the digital domain in a timely and orderly fashion, with minimal cost and disruption to existing services. This orderly transition to a new digital radio broadcasting system without the need to allocate new spectrum is in the public interest.

In this NPRM, the commission states that it is initiating this rulemaking process to consider alternative approaches of introducing DAB service to the American public. The commission also sets forth its public policy objectives that will guide it in its

deliberations in this proceeding. Among these stated objectives are the following:

- The commission is firmly committed to creating DAB opportunities for existing radio broadcasters.
- "We must insure that the introduction of DAB does not weaken the vitality of our free, over-the-air radio broadcast service."
- "A viable DAB system must be spectrum efficient."
- "It is our objective to foster a rapid and non-disruptive transition to DAB for broadcasters and listeners."

Having been involved with IBOC since its infancy, Susquehanna believes that IBOC, and only IBOC, can achieve these objectives.

The IBOC DAB Model.

Susquehanna agrees with the commission when it states "that a workable IBOC system would be superior to a new-spectrum DAB system is several respects". Susquehanna also believes that the considerable technical expertise of the various IBOC proponents, will produce a high quality and robust digital system that will follow a very acceptable digital and analog hybrid operation during the transition stage. Most importantly, we believe that this transition to an all digital system can occur far more rapidly than any new band system. The public interest will be best served by the development of an IBOC radio service for the following reasons:

IBOC digital audio broadcasting needs no new spectrum. The development of a DAB system that can co-exist and operate within the existing spectrum of present AM and FM stations and eventually evolve into an all digital service, is certainly in the public interest. IBOC meets the commission's stated objective; "A viable DAB system must be spectrum efficient"

IBOC requires no new allocation system. Unlike any other potential DAB broadcast service, the frequency and geographic allocations for an IBOC system are already in place. Although the allocations for both the AM and FM bands were developed over many years and, in certain cases, may not be optimum, each of the stations in these services was allocated in a manner that was determined, by the Commission, to serve the public interest. This market-driven distribution of facilities provides service to the entire country in a manner that is in general proportion to population density. The time consuming and painstaking process of developing an allocation scheme that is generally associated with any new service will simply be unnecessary with IBOC.

IBOC DAB systems utilize the existing transmission facilities of AM and FM stations and require no new transmitting sites. The cost of implementation by the broadcaster will be minimal when compared to the cost of acquiring new transmitting sites and erecting new towers for any new band system. The construction of new towers is an ever growing concern of both the FAA and local zoning authorities. The public interest will clearly be best served by the development of an IBOC DAB system that requires no new towers or major infrastructure for its broadcast transmission facilities.

IBOC has a built-in programming advantage. IBOC has the unique capability of immediately bringing high quality radio programming with a wide variety of formats to the new digital receivers. Unlike most new services, IBOC, with the built in programming of its host analog station, will be able to provide time proven programming on the first day the new facility is placed in service. This should provide a major incentive for the general public to purchase new hybrid receivers.

Alternative DAB Model Utilizing New Spectrum.

The commission has raised the potential use of the spectrum presently used by TV channel 6 for DAB and correctly recognized the significant delay that would result in the implementation of this new service. The earliest possible availability of this spectrum is 2007 with the probability that it will not be available in all markets until at least the year 2010.

The proposed use of channel 6 or, for that matter, any other new spectrum for terrestrial DAB has other inherent delays that will

unnecessarily postpone full implementation of a digital broadcasting system in the United States. Developing an allocation scheme to best serve the interest of the public and at the same time accommodate both existing broadcaster and possible new entrants, will be extremely difficult and time consuming for the commission.

Above all, the delay in implementing a new terrestrial digital radio service while the existing analog service is presently meeting the needs of the listening public, is a major obstacle. Better quality and a more robust mobile service will, by its self, not drive the market.

We have only to look to Europe for guidance in this matter. Much of Europe has embraced the Eureka 147 system and after nearly ten years of development, they have near zero market penetration. Transmission facilities have been operating for some time in many major European communities; yet, there are still no receivers. This government developed and government sponsored system of broadcasting is certainly technically superior to present analog services but there is no market demand for this new service. Eventually, this system may succeed but it is more probable that Eureka 147 will be either obsolete or undergo major modifications before it can be fully implemented.

It is equally clear that the existing AM and FM service in the United States, with its present allocation scheme, is far superior to that of most European communities. Susquehanna believes that building a market demand for a new broadcast service, in a new band, for the United States would have no greater success than it has had in Europe.

The development of a total digital broadcast service in the United States can be best accomplished by the IBOC concept of a gradual transition to an all digital system utilizing its "hybrid" mode that allows the digital signal and the analog signal to share the

same spectrum. Only when digital receivers are in the hands of consumers, will market forces trigger the move to an all digital system.

DAB Transmission Standards.

Susquehanna supports the need for a single standard for terrestrial DAB broadcasting and like the NAB and the commission, we look to the NRSC to take the leadership in standard setting for IBOC systems.

The DAB subcommittee of the NRSC is presently evaluating the submission of USADR to determine if this system meets its basic goal; "Does this system provide a significant improvement over existing analog AM and FM systems in use in the United States today". Lucent Digital Radio has stated that it will submit its DAB system to this subcommittee for evaluation by January 24, 2000.

On January 8. 2000, this subcommittee voted to initiate a standard setting process for IBOC systems if its Evaluation Working Group determines that either of these systems meet its basic goals and a proponent wishes to submit its system to the committee for possible adoption as a NRSC standard.

With the NRSC poised to begin a standard setting initiative, Susquehanna urges the commission to support the standard setting activity of the NRSC and if this organization adopts a voluntary standard, give serious consideration of adopting it as the mandated form of DAB transmission for the United States.

Conclusions.

IBOC is the only form of terrestrial DAB broadcasting that can meet the stated objectives of the commission and provide a smooth transition to digital broadcasting in the United States. IBOC will be spectrum efficient, cost effective, less disruptive, and allow the transition without the need to develop a new allocation scheme and thereby tax the commission's limited resources.

New band systems will require additional spectrum, which is in demand by other services. Any new band system, regardless of spectrum used, will need a market demand in order to become a viable service. We, in the United States, enjoy a highly competitive good quality AM and FM service that is second to none. New technology, by its self, will not create the market demand for this new service. The migration to digital broadcasting can be best achieved by an IBOC system functioning as an extension of our existing AM and FM facilities.

The transition to DAB can be best accomplished by adopting a single transmission standard. The NRSC is best positioned to develop such a standard in conjunction with the commission and the broadcast and receiver manufacturing industries.

Susquehanna urges the commission to reject any proposal for a DAB system utilizing a new band and join with industry in the development of an IBOC system to provide terrestrial digital broadcasting for the United States.

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